

Amos Kendall to Andrew Jackson, August 2, 1833, from Correspondence of Andrew Jackson. Edited by John Spencer Bassett.

AMOS KENDALL TO JACKSON.

Baltimore, August 2, 1833.

Dear Sir, On Sunday evening last I came down to this City, where I have ever since been employed in negotiating with the State Banks. Aware that most of the Banks are in the hands of the friends of the Bank of the United States and might be disposed to thrust upon me arguments and statements designed to further the views of that institution, I concluded my best course was to address all of them and inquire whether they desired, in case of a change of the deposits to receive them on any terms. If they replied they had such a desire, then they would be in some measure committed to the step, or at least it would show they were not afraid of the consequences; and if they replied they had not, then there was an end of all correspondence with them. I send you herewith a copy of my letter which was purposely made very *diplomatic* .

From one Bank I have received no reply and one has declined all agency in the matter. Three have expressed their desire to undertake the agency, and absence of Presidents or Directors has, in the other three, prevented a definite answer.

I have addressed to the three Banks which have signified their desire to undertake the agency, a letter making specific propositions, first after the plan set forth in my instructions, and secondly upon the supposition that the government may prefer to make its arrangements with each bank respectively. The plan laid down in my instructions will be found to be impracticable from want of legal power in the Banks to enter into the requisite

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obligations. The Bank of Maryland is probably the only one here which possesses the power under its charter, and that Bank is willing to enter into the arrangement. The Union Bank accedes fully to the propositions made by me for a separate arrangement, as does the Bank of Maryland also, and both are ready to give ample security in public stocks or otherwise for the safety of the public deposits and the performance of every service for the government now rendered by the Bank of the United States. They are also willing to furnish Exchange on London *at cost* whenever the government may require it.

I am not so fully possessed of the views of the other Banks which are favorably disposed; but have no doubt the only difficulty here will be to select between a number of Banks all of which will be ready to make the government entirely safe in entrusting to them its deposits. Mr. Lovman, the President of the Bank of Baltimore told me he saw a letter from a Broker in Philadelphia to a Broker in this City two days ago, stating that Mr. Duane was about to resign. I give it just as I received it.

Mr. Gilpin has written to Mr. McEldery requesting him to attend with the other government Directors at the Bank to examine the *Expençe Book* . I understand that Mr. Wager was on the last dividend committee, and on looking over that Book fell upon various charges for printing electioneering documents etc. supposed to exceed \$40,000. He informed the other government Directors and they have determined to demand an examination of the Book that they may report the facts to you.

I have been informed here, and I am sorry to say I believe it, that Mr. Toland has discounts at the Bank of comparatively recent date, to the amount of \$150,000, and that \$45,000 were lately obtained on a pledge of the U.S. Bank Stock. I remember his being at Washington during the time your correspondence with Mr. Duane was going on, where he remained but one night. I did not hear what his business was; but now I should be glad to know. I will inquire more fully into the matter of these loans when at Philadelphia and give you *the whole truth* .

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I was here stopped by a call from the President of the Bank of Baltimore who informs me that his Board have this morning unanimously resolved, that they will undertake the service if an arrangement can be made. He will immediately write me officially and I shall then make specific propositions etc.

It is amusing to witness the arts employed by the U.S. Bank partizans to prevent the state banks from meeting me on favorable terms. They abuse the project of removal, abuse me, abuse every body and every thing which has any thing to do with it. But they do not deter the state banks from coming forward, and I have no doubt of accomplishing all I desire. My impression is, that I shall not stop to do any thing in Philadelphia as I pass on. It is apprehended that most of the Banks there will answer precisely as the Bank U. S. desires, and I think it safer to bring the example of the northern banks to operate upon them than carry their example to the north.

I have found but one friend of the administration here who hesitates in declaring it the duty of the government to remove the deposits, and that is Isaac McKim Esq. He admits that they deserve it, are corrupt, and all that is charged; but is afraid they will make mischief by revenging themselves on the country. When I pointed out all the bearings of the measure as they struck me, he admitted there were some things he had not thought of and that it might on the whole be best to do it. He seems to me to be a plain, honest, direct man.

August 3d . I received last evening the reply of the Union Bank to my propositions, waiving the first on account of doubts about its power; but acceding to the second in full and offering to give security in good stocks for the safety of the deposit as the faithful performance of its duties. From the Commercial and Farmers Bank I have received a reply declining to accede to either proposition on account of unwillingness to be responsible for other banks or give security. I believe six out of the eight banks here would be glad to get the deposits; but not more than two or three will be willing or able to give security. I was ill

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last evening so that I could not close my business and leave in the morning's boat; but I expect to go in the evening.

With the highest respect